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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, JUNE 24, 1999

JOINT PETITION OF

BELL ATLANTIC CORPORATION

CASE NO. PUC990100

and

GTE CORPORATION

For approval of agreement
and plan of merger

ORDER FOR NOTICE AND HEARING
AND EXTENDING THE TIME FOR REVIEW

On May 28, 1999, Bell Atlantic Corporation ("Bell Atlantic") and GTE Corporation ("GTE") (collectively "the Petitioners") filed a joint petition requesting approval, pursuant to § 56-88.1 of the Code of Virginia, of a proposed transaction which would result in GTE becoming a wholly-owned subsidiary of Bell Atlantic. On June 11, 1999, the Petitioners supplemented that filing by filing workpapers under seal.

Having considered the above-referenced filings, we deem the joint petition completed as of the date of their most recent filing, or June 11, 1999, for the reason that the Petitioners have substantially complied with the filing requirements of our Final Order of March 31, 1999, in Case No. PUA980031 on that date. We note that the Petitioners' filings did not provide

copies of a filed request for regulatory approval from the Federal Communications Commission ("FCC"), as directed in filing requirement number (4) of that Order, to permit the continuation of the interLATA interexchange service currently offered by GTE Communications Corporation, d/b/a GTE Long Distance to its customers in Virginia.¹ No additional information is necessary with regard to that filing requirement since the Petitioners represent, in their joint petition, that no FCC approval has been or will be requested for the continuation of resold long distance service in Virginia by GTE Communications Corporation.

Pursuant to § 56-88.1, the Commission has sixty (60) days in which to approve or disapprove such petition and may extend that time for a period not to exceed an additional one hundred and twenty (120) days. We believe that the issues involved in the joint petition are complex and will require additional time for review. As such, we are of the opinion that sixty (60) days is not sufficient time in which to conclude a full investigation

¹ Filing requirement number (4) states that:

Petitioners must provide to the Commission copies of their filed requests for regulatory approvals from the Federal Communications Commission to permit the continuation of the interLATA local calling routes currently offered by GTE South to its customers in Virginia and to permit the continuation of the interLATA interexchange service currently offered by GTE Communications Corporation, d/b/a GTE Long Distance to its customers in Virginia.

The Petitioners only filed a copy of the request with the FCC regarding the continuation of the GTE South interLATA local calling routes.

of the matters associated with the proposed merger. It is therefore appropriate to extend the time period for review of issues under § 56-88.1 for a period up to one hundred and twenty (120) days from the original sixty (60) day time period, or through December 8, 1999.

We are also of the opinion that this matter should be set for hearing and a procedural schedule established for filing pleadings, testimony, and exhibits. We are of the further opinion that, in the event issues involving discovery should arise in this proceeding, such issues should be directed to a hearing examiner assigned to hear such matters. Accordingly,

IT IS ORDERED THAT:

(1) Pursuant to § 56-88.1 and § 56-90 of Title 56 of the Code of Virginia, this joint petition is hereby docketed and assigned Case No. PUC990100.

(2) The deadline for issuing a final order in this proceeding is hereby extended for one hundred and twenty (120) days from August 10, 1999, to December 8, 1999.

(3) A public hearing shall be held on October 25, 1999, commencing at 10:00 a.m. in the Commission's Courtroom, Second Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia, to receive evidence relevant to the joint petition.

(4) The Commission's Staff shall review the joint petition and shall present their findings and recommendations at the October 25, 1999, public hearing.

(5) The Petitioners shall promptly make a copy of their joint petition and supporting material available to the public. Interested persons may obtain a copy of the petition, at no charge, by requesting it in writing from Bell Atlantic's or GTE's counsel at the address detailed below.

(6) Any interested person wishing to comment on the joint petition shall, on or before August 20, 1999, address such written comments to: Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, and shall refer to Case No. PUC990100.

(7) On or before August 20, 1999, any person who expects to submit evidence, cross-examine witnesses, and participate in this proceeding as a protestant, pursuant to Rule 4:6 of the Commission's Rules of Practice and Procedure ("Rules"), 5 VAC 5-10-180, shall file an original and fifteen (15) copies of a notice of protest with the Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, and simultaneously serve a copy on counsel for the Petitioners as follows: Warner F. Brundage, Jr., Vice President, General Counsel, and Secretary, Bell Atlantic-Virginia, Inc., 600 East Main Street, 11th Floor, Richmond, Virginia 23219; and

to Richard D. Gary, Esquire, Hunton & Williams, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219 (representing GTE). Any corporate entity or governmental unit that wishes to protest must be represented by legal counsel as required by Rule 4:8 of the Rules, 5 VAC 5-10-200 and Rule 1:5 of the Rules of the Supreme Court of Virginia.

(8) Within five (5) days of receipt, the Petitioners shall serve upon each person who files a notice of protest a copy of this order, their joint petition, and supporting testimony and exhibits, unless copies have already been provided to that person.

(9) On or before August 27, 1999, each protestant shall file with the Clerk of the Commission an original and fifteen (15) copies of its protest, and an original and fifteen (15) copies of the testimony and exhibits that it intends to offer in support of its protest, and shall serve one (1) copy of the protest, testimony, and exhibits on counsel for the Petitioners and on all other parties.

(10) On or before September 24, 1999, the Staff shall file with the Clerk of the Commission an original and fifteen (15) copies of any testimony and exhibits that it intends to offer and shall serve one (1) copy on all parties.

(11) On or before October 8, 1999, the Petitioners may file with the Clerk of the Commission an original and fifteen

(15) copies of any rebuttal testimony and exhibits that it intends to offer in response to testimony and exhibits previously filed and shall serve one (1) copy on all parties.

(12) Any request for modification of any date established by this order shall be by motion filed with the Clerk of the Commission and served on all other parties; except in an extreme emergency and for good cause shown, such requests for modification should be filed at least ten (10) working days before the scheduled date.

(13) As provided in Rule 6:4 of the Rules, 5 VAC 5-10-480, the Commission prescribes service of answers and objections within ten (10) calendar days from receipt of the written interrogatory or request for production.

(14) Any and all future discovery issues and controversies are assigned to a Commission Hearing Examiner for resolution. The Hearing Examiner is directed to establish appropriate procedures to resolve discovery issues as they arise.

(15) On or before July 9, 1999, the Petitioners shall publish the following notice as display advertising, not classified, twice a week for two consecutive weeks in newspapers of general circulation throughout the Commonwealth of Virginia:

NOTICE OF JOINT PETITION OF
BELL ATLANTIC CORPORATION AND
GTE CORPORATION FOR APPROVAL OF
AGREEMENT AND PLAN OF MERGER
CASE NO. PUC990100

Bell Atlantic Corporation ("Bell Atlantic") and GTE Corporation ("GTE") (collectively "the Petitioners") filed a joint petition with the State Corporation Commission requesting approval of a proposed transaction which would result in GTE becoming a wholly-owned subsidiary of Bell Atlantic. The joint petition, if approved, would transfer control of GTE South, Inc., ("GTE South") from GTE Corporation to Bell Atlantic Corporation.

THE PETITIONERS REPRESENT THAT THE OPERATING TELEPHONE SUBSIDIARIES IN VIRGINIA, BELL ATLANTIC-VIRGINIA ("BA-VA") AND GTE SOUTH, WILL CONTINUE TO OPERATE AS SEPARATE COMPANIES. THEREFORE, THE TRANSFER OF CONTROL OF GTE SOUTH, IF APPROVED BY THE COMMISSION, WILL NOT CHANGE THE TELEPHONE COMPANY PRESENTLY SERVING BA-VA OR GTE SOUTH CUSTOMERS.

The Commission has scheduled a hearing to begin at 10:00 a.m. on Monday, October 25, 1999, in the Commission's Second Floor Courtroom in the Tyler Building, 1300 East Main Street, Richmond, Virginia, to receive evidence relevant to the proposed transaction.

Individuals with disabilities who require an accommodation to participate in the hearing may contact the Commission at 1-800-552-7945 (voice) or 1-804-371-9026 (TDD). Individuals requesting such accommodations should contact the Commission at either of these numbers at least seven (7) days before the scheduled hearing date.

A copy of the above-referenced petition is available for inspection during regular business hours at the State Corporation Commission, Document Control Center, First Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia. Interested persons may obtain a copy of the petition,

at no charge, by requesting a copy in writing from Bell Atlantic's or GTE's counsel at the address noted below.

Comments on this joint petition must be submitted in writing to Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, on or before August 20, 1999, and shall refer to Case No. PUC990100. Any person desiring to make a statement at the public hearing, either for or against the joint petition, need only appear in the Commission's courtroom at 9:45 a.m. on the day of the hearing and identify himself or herself as a public witness to the Commission's bailiff.

On or before August 20, 1999, any person who expects to submit evidence, to cross-examine witnesses, and to participate in this proceeding as a protestant pursuant to Rule 4:6 of the Commission's Rules of Practice and Procedure ("Rules"), 5 VAC 5-10-180, shall file an original and fifteen (15) copies of a notice of protest with the Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, and simultaneously serve a copy on counsel to the Petitioners as follows: Warner F. Brundage, Jr., Vice President, General Counsel, and Secretary, Bell Atlantic-Virginia, Inc., 600 East Main Street, 11th Floor, Richmond, Virginia 23219; and to Richard D. Gary, Esquire, Hunton & Williams, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219 (representing GTE). Any corporate entity or governmental unit that wishes to protest must be represented by legal counsel as required by Rule 4:8 of the Commission's Rules, 5 VAC 5-10-200 and Rule 1:5 of the Rules of the Supreme Court of Virginia.

On or before August 27, 1999, each protestant shall file with the Clerk of the Commission an original and fifteen (15)

copies of its protest and an original and fifteen (15) copies of the testimony and exhibits that it intends to offer in support of its protest and shall serve one (1) copy of the protest, testimony and exhibits on counsel to the Petitioners and all other parties.

All written communications to the Commission regarding this case should be directed to the Clerk of the Commission, P.O. 2118 Richmond, Virginia 23218 and shall reference Case No. PUC990100.

BELL ATLANTIC CORPORATION AND GTE CORPORATION

(16) On or before July 30, 1999, Petitioners shall have their subsidiaries, BA-VA and GTE South, send a notice to all customers, either by direct mail or as a bill insert, with at a minimum the following information:

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**THE PETITIONERS REPRESENT THAT THE
OPERATING TELEPHONE SUBSIDIARIES IN
VIRGINIA, BELL ATLANTIC-VIRGINIA ("BA-VA")
AND GTE SOUTH, WILL CONTINUE TO OPERATE AS
SEPARATE COMPANIES. THEREFORE, THE TRANSFER**

OF CONTROL OF GTE SOUTH, IF APPROVED BY THE COMMISSION, WILL NOT CHANGE THE TELEPHONE COMPANY PRESENTLY SERVING BA-VA OR GTE SOUTH CUSTOMERS.

The Commission has scheduled a hearing to begin at 10:00 a.m. on Monday, October 25, 1999, in the Commission's Second Floor Courtroom in the Tyler Building, 1300 East Main Street, Richmond, Virginia, to receive evidence relevant to the proposed transaction.

Comments on this joint petition must be submitted in writing to Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, on or before August 20, 1999, and shall refer to Case No. PUC990100. Any person desiring to make a statement at the public hearing, either for or against the joint petition, need only appear in the Commission's courtroom at 9:45 a.m. on the day of the hearing and identify himself or herself as a public witness to the Commission's bailiff.

BELL ATLANTIC CORPORATION AND GTE CORPORATION

(17) The Petitioners shall forthwith serve a copy of this Order on the Chairman of the Board of Supervisors of any county and upon the Mayor or Manager of any county, city, or town or equivalent officials in counties, towns and cities having alternate forms of government in the Commonwealth of Virginia in which either BA-VA or GTE South provides service. Service shall be made by first-class mail or delivery to the customary place of business or residence of the person served.

(18) At the commencement of the hearing, the Petitioners shall provide the Commission with proofs of notice and proofs of service as required in Ordering Paragraphs (15) and (16).